BRITISH COLUMBIA

BC STATS Infoline

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Issue: 00-24 9 Pages
June 16, 2000

highlights

a weekly digest of recently released British Columbia statistics

Prices

- **British Columbia's year-over-year inflation rate edged up to 1.5% in May.** The province's inflation rate has remained fairly stable during the last eight months despite inflationary pressures from soaring energy costs (+13.6%), higher mortgage rates, and an improvement in the housing market which has seen the cost of owned accommodation begin to stabilize after falling steadily during the last six years. The owned accommodation component of the consumer price index (CPI) was flat (-0.1%) in May.

  Excluding the effect of higher energy costs, BC's inflation rate would have been 0.6% in May. The Canadian rate would have been 1.3%. In BC, consumers paid 19.1% more at the pump than they did in May of 1999. Prices for piped gas (+18.5%) and fuel oil (+27.2%) were also considerably higher than a year ago.

  Source: Statistics Canada

- **BC's inflation rate was once again the lowest in the country in May.** The national inflation rate was 2.4%, with rates in other regions ranging from 1.9% in Newfoundland, Manitoba and Yukon to 4.8% in PEI. One of the factors insulating BC from the upward movement of the overall price level seen in most other parts of the country has been a six-month long decline in the cost of food, especially fresh fruits and vegetables. The food component of BC's CPI was down 0.6% in May. It increased 0.9% at the national level. Prices for most other goods and services sold in BC also increased at or below the national average. The exceptions were clothing and footwear (+3.3% in BC, compared to –0.2% nationally) and household operations (+1.1% versus +0.5%). *Source: Statistics Canada*

- **Victoria (1.5%), Vancouver (1.9%), Quebec (1.9%) and St Johns (1.9%) were the only major cities where the annual inflation rate was under two percent in May.** Residents of Charlottetown have seen the overall price level rise 4.3% since May of 1999. Inflation rates in other cities ranged from 2.0% in Saskatoon to 3.5% in Calgary. *Source: Statistics Canada*

Family Income

- **After-tax family income in the province rose to its highest level in a decade in 1998.** The average BC family had an after-tax income of $51,424, up 2.8% from $50,033 (in constant 1998 dollars) in 1977. This was the strongest increase in real after-tax income since 1990. However, families in BC did not fare as well as those in most other parts of the country. Saskatchewan (+2.5%) Newfoundland (+2.6%) and Quebec (+2.6%) were the only provinces where after-tax income grew less than in BC. In other provinces, it increased at rates ranging from 3.1% in Nova Scotia to 4.6% in Ontario. Canadian after-tax income rose 3.7%. After-tax income includes earnings from employment, investments and other sources such as pensions or transfers from government.

  Source: SC, Catalogue 75-202

- **Families in BC ($51,424) and Alberta ($52,388) brought home slightly less, on average, after taxes than their counterparts in Ontario ($55,619), where family income after tax has consistently been the highest in the country.** Average incomes in other provinces ranged from $37,731 in Newfoundland to $45,373 in Manitoba. The national average was $49,626 in 1998. *Source: SC Catalogue 75-202*

Report **British Columbia Population Projections**

Did you know...

During the first five months of 2000 there were 3,200 children born to BC women aged 35 and over. That compares to 3,138 births in the same period last year. Among women aged 45 and over, the number of births so far this year has increased from 18 to 23.

- **Average after-tax family income in the province has increased 7.0% (in real terms) since 1989, more than in any other province except Alberta (+7.1%).** BC, Alberta, Saskatchewan (+3.0%) and PEI (+3.0%) were the only provinces where after-tax family incomes increased significantly during the 1990s. Nationally, average after-tax income was 1.7% higher in 1998 than in 1989. *Source: SC, Catalogue 75-202*

- **Perhaps not surprisingly, unattached individuals had the lowest after-tax incomes in BC, averaging $22,800 in 1998.** Elderly women (aged 65 and over) who were living alone received an average income of $19,984, but unattached women of working age received only slightly more ($20,307). Among unattached men, average after-tax incomes were somewhat higher ($23,942 for those aged 65 and over and $25,373 for younger men). Incomes in lone-parent families ($27,220) were also well below the average for all family types ($51,424).
Source: SC, Catalogue 75-202

The Economy

- **BC manufacturers' shipments fell 4.7% (seasonally adjusted) between March and April, posting their first decline since last October.** Shipments of wood (-4.5%) and paper (-5.7%) fell sharply but the weakness was not confined to the forest sector. Among producers of durable goods, the electrical and electronic equipment (+10.3%) and furniture and fixtures (+5.0%) industries were the only ones to escape the general malaise. Overall, durable goods shipments were down 6.4%. On the non-durables side, manufacturers of food (+2.4%) and beverages (+2.8%) increased their shipments, but most other industries posted declines. Overall, non-durables shipments fell 2.7%. Canadian manufacturing shipments were down 2.8% in April as shipments fell or were flat in seven provinces. Newfoundland (+5.4%), New Brunswick (+2.6%) and Manitoba (+1.5%) were the only exceptions. *Source: Statistics Canada*

- **BC retailers of new motor vehicles posted their strongest month so far this year in April, with sales rising 6.9% (seasonally adjusted).** The increase came at a time when new vehicle sales were falling in central and eastern Canada. Nationally, they were down 1.1% between March and April, but business was booming in BC (including the 3 territories), Alberta (+10.1%), PEI (+8.9%) and Saskatchewan (+6.9%).
Source: Statistics Canada

The Other Side of the Fence

- **People who live in BC and Quebec are less likely than other Canadians to spend time chatting over the fence.** According to a 1996/97 survey, three out of four (77%) BC residents aged 20 and over had spoken to a neighbour (either in person or by phone) at least once during the last year, but just under half (46%) had a "high level" of contact with their neighbours–meaning that they talked to them at least once a week. Just 43% of Quebecers were in regular contact with their neighbours. Quebec also had the lowest rate of occasional interaction in the country, at 68%.

  In the rest of Canada, at least half the adult population communicated regularly with their neighbours. Newfoundlanders were the friendliest (73%), while people living in Manitoba (50%) were least likely to spend time chatting with the folks next door.

  Overall, rural (56%) residents were more likely to be neighbourly than people living in urban (50%) areas were. Generally speaking, residents of Atlantic Canada were the most likely to spend time talking to neighbours. This may be because people who live in Atlantic Canada tend to move less than other Canadians do, so they're more likely to know the people next door. In 1996, two out of three people living in eastern Canada occupied the same house that they'd been in five years earlier. In BC and Alberta (where the rate of regular contact was 56%), more than half the population had changed residences during the previous five years. *Source: SC, Catalogue 11-008*

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For data originating from Statistics Canada: data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the publication name or catalogue number.

June 16, 2000

Infoline Report:

British Columbia Population Projections

Methodology contact: Ruth McDougall / (250) 387-0337
Population Statistics, BC STATS

Each year BC STATS projects the population of the province and its regions based on demographic and economic trends, modified to take into consideration possible future changes. This cycle, just published, is known as
PEOPLE 25 and was completed in the spring/summer of 2000.

Detailed projections, each 11 pages long, with a map, "Economic and Demographic Notes", 4 pages of population pyramids and charts, "Components of Change", "Special Age Groups", "5 Year Age Groups by Sex", are available for BC, the 8 development regions, the 28 regional districts, the 83 local health areas, 6 sub-Vancouver local health areas, and a number of "special areas" of local interest. Summaries appear free on our Internet site.

Ordering Information follows this report. BC STATS will service requests for printouts for individual areas at $5 per area with a minimum charge of $10 plus GST. VISA or Mastercard required on minimum orders.

The demands for public services, such as schools, hospitals and roads, are closely related to population size and characteristics. In addition, marketing strategies of businesses are greatly influenced by the size and structure of the population. As a result, reliable population projections are an essential tool for planners in both the private and public sectors.

As we head toward the next century, British Columbia faces unique challenges within Canada. Some of the major issues emerging in our province include how to deal with strong population growth that will put even greater pressure on our urban communities, our environment and government resources; a changing ethnic make-up of the population requiring a greater understanding of the values of cultural diversity; a health care system that must meet the needs of a growing and aging population; and growing economic and income disparities between our province's regions and people.

The following are some demographic highlights from PEOPLE Projection 25:

The British Columbia population is getting larger and aging. Between 1999 and 2026, the population will have increased by almost 43%. The median age of the population will have increased from 37.0 to 43.8 years.

Figure 1

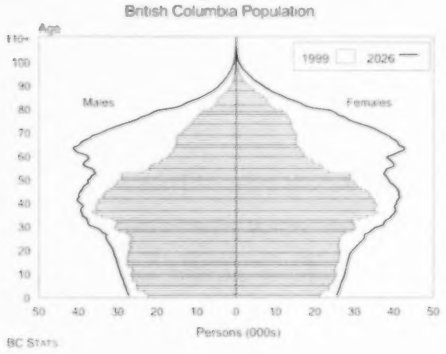
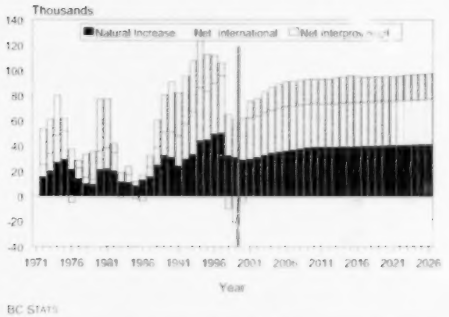


Figure 2



The major factor driving population growth will be migration to British Columbia. International migration will account for 59% of the population gain, followed by interprovincial migration at 28%, and natural increase (births minus deaths) at 13%.

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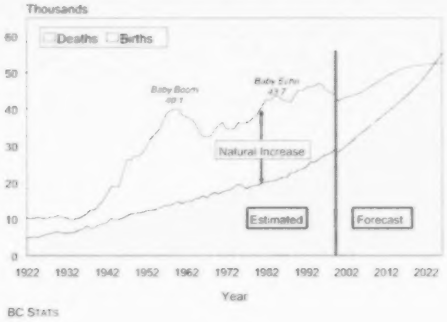
Figure 3

British Columbia Births and Deaths



Even though the number of births in British Columbia will continue to rise, the contribution of natural increase to the overall population growth will decrease. Near the end of the forecast the number of deaths will exceed the number of births.

Figure 4

B.C. Population 5-19

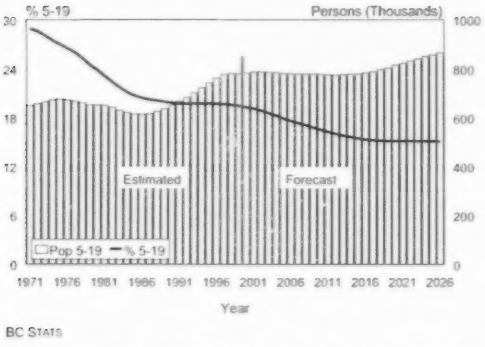
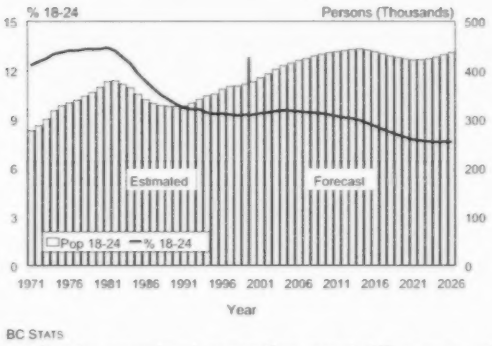


Figure 5

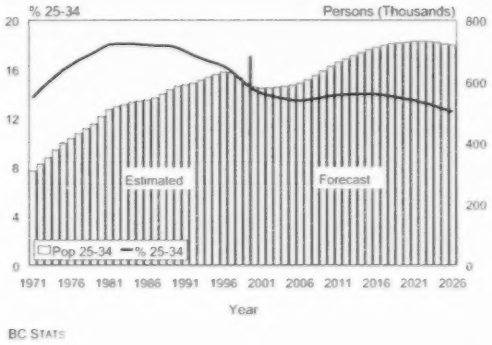
B.C. Population 18-24



The population of school age (5-19 years) will remain relatively constant over the next 15 years, although its share of total provincial population will decline. However, the population of post-secondary school age (18-24 years) will continue to increase over the next decade.

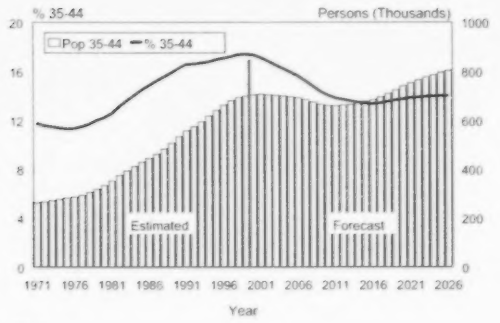
Figure 6

B.C. Population 25-34



The population aged 25-34, which is generally associated with first time household formation, is expected to dip due to net out-migration in the short-term, but will rise once again as migrants return to the province.

Figure 7
B.C. Population 35-44



The population of mature labour force age (45-54 years) went through a period of slow growth for a couple of decades, but in the last ten years this trend has changed. Baby-boomers are beginning to enter this age group, and as a result, the population is increasing significantly. This will have repercussions on the labour force, especially in terms of career goals and whether or not they can be met with so many people competing for a limited number of higher level jobs.

Both the share and overall population of retirement age (65+) will continue to increase significantly from 12.9 per cent in 1999 to 21.3 per cent in 2026. The same will be true for the very senior population (80+), which will grow from 3.1 per cent of the population to 4.8 per cent. This increase will have a serious effect on health care expenditures given the high per capita health costs associated with seniors.

The population currently aged 35-44 represents the bulk of the baby-boom cohort. The population in this age group is expected to fall slightly over the next ten years, then return to strong growth.

Figure 8
B.C. Population 45-54

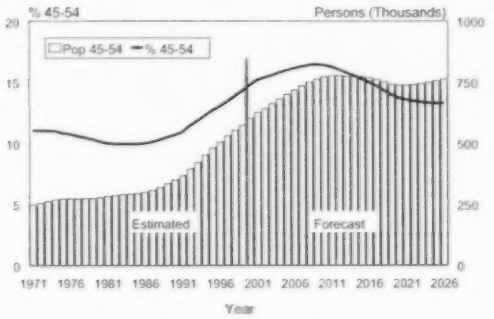


Figure 9
B.C. Population 65+

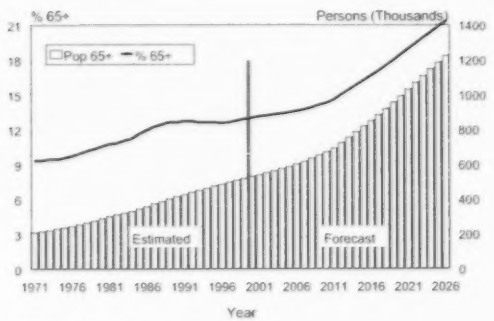
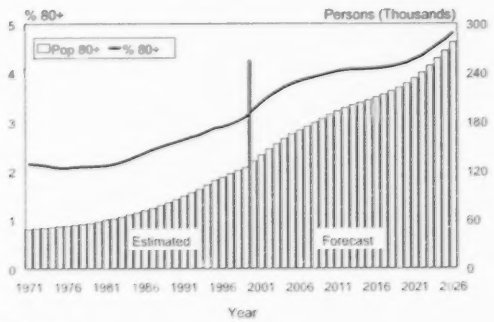


Figure 10
B.C. Population 80+



Regional Population Projections

There are substantial disparities with respect to projected growth among the 28 British Columbia Regional Districts. Areas in the southern portions of the province will likely see much higher growth rates than regions in the north. One of the reasons for this is that the economic base in the northern regions is far more resource dependent than the Lower Mainland, the lower portion of Vancouver Island, and the Okanagan. The regions that are expected to experience a decline tend to be those that are heavily dependent on resource extraction industries. The Stikine Region is a notable exception to the rule. The reason for the projected growth is the expectation of increased activity in the forest sector.

Figure 11

PEOPLE 25 Regional District Population Growth
1999-2026

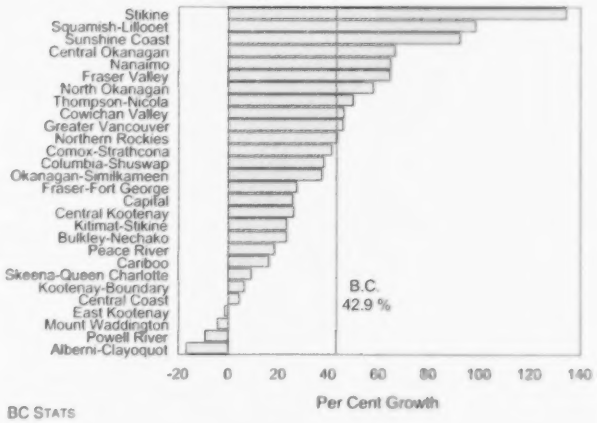


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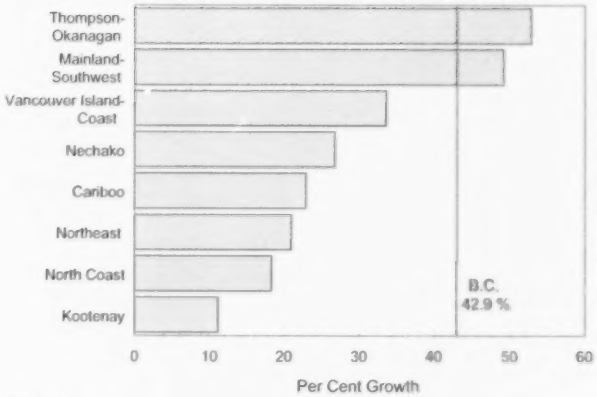
Figure 12 depicting growth by Development Region, shows more clearly the inclination toward the southern regions when it comes to growth. Both the Thompson-Okanagan and Mainland-Southwest regions are expected to experience around 50 per cent growth over the 1999 to 2026 period. The slower growth in the Kootenay region is largely due to the depletion of coal reserves and the anticipated shutdown of various mines in the East Kootenay area over the length of the projection.

Figure 12

PEOPLE 25 Development Region Population Growth
1999-2026



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There are regional differences with respect to age as well. Currently, the population 65 and over as a per cent of total population is much smaller in most of the remote areas, and greater in the more populous regions in the southern portion of the province. This is largely a combination of the greater access to services (particularly those related to health care) in the larger centres, and the more pleasant climate of the southern regions, which attracts the elderly looking for a place to retire.

The Regional District chart in Figure 13 indicates that some regions will experience proportionately larger increases in the per cent of population over 65. In many of these cases, this is the result of differential rates of migration to or from an area. Migrants tend to be younger than the population at large. Hence, in regions of high net inflows of population the aging process is slowed. Alternatively, where there is a net outflow, population aging accelerates.

On a larger scale, the Development Regions show a similar pattern of a more aged population in the south; however, the regions to the north will see proportionately larger increases in the proportion of the population over 65, particularly in the first 15 years of the projection.

Figure 13

PEOPLE 25 Regional District Population 65 and Over as a Per Cent of Total Population

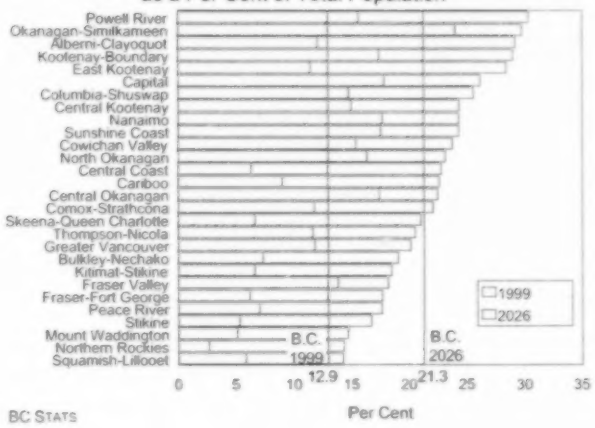

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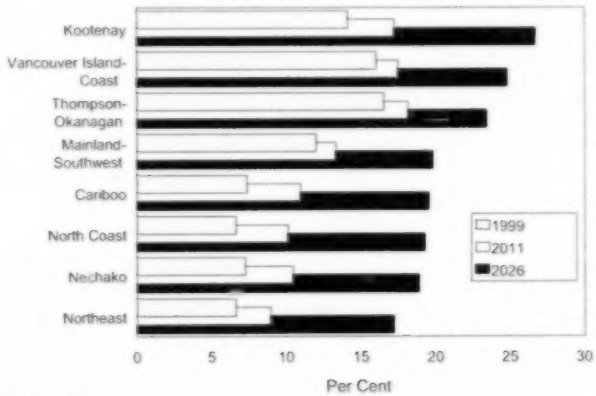
Figure 14

PEOPLE 25 Development Region Population 65 and Over as a Per Cent of Total Population



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Regional Population Projections

Where will the people be in the year 2026?

The demands for public services, such as schools, hospitals and roads, are closely related to population size and characteristics. Marketing strategies of businesses are greatly influenced by the size and structure of the population. A reliable population projection can be an essential tool for planners in both the private and public sectors.

This 2000 edition of the *British Columbia Regional Population Projection* encompasses not only a projection of the number of British Columbians and households by region in the year 2026, but also the developments that may lead to this total figure. Life expectancy gains, fertility trends, and migration levels all affect the final count and are important in their own right. British Columbia's evolving age structure will also have a profound impact on this province in the 21st century.

The projections are available in the following formats:

Population Estimates and Projections
— by 28 Regional Districts
$80.00 *(printed copy)*
$400.00 *(diskette)*; update $200
— by 83 Local Health Areas
$150.00 *(printed copy)*
$400.00 *(diskette)*; update $200

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Regional Districts

Local Health Areas

Infoline

June 16, 2000

fax transmission information service from **BC STATS**

also on the Internet at www.bcstats.gov.bc.ca

BC at a glance . . .

POPULATION (thousands)	Jan 1/00	% change on one year ago
BC	4,043.7	0.9
Canada	30,606.7	0.9
GDP and INCOME		
(BC - at market prices)	1998	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	110,948	-0.2
GDP *($ 1992 millions)*	99,708	0.2
GDP *($ 1992 per Capita)*	24,908	-0.8
Personal Disposable Income *($ 1992 per Capita)*	15,969	-1.6
TRADE ($ millions)		
Manufacturing Shipments (seas. adj.) Apr	3,309	10.3
Merchandise Exports (raw) Mar	2,619	9.3
Retail Sales (seasonally adjusted) Mar	2,915	5.6
CONSUMER PRICE INDEX		
(all items - 1992=100)	May '00	% change on one year ago
BC	112.8	1.5
Canada	113.0	2.4
LABOUR FORCE (thousands)		
(seasonally adjusted)	May '00	% change on one year ago
Labour Force - BC	2,095	1.4
Employed - BC	1,954	3.0
Unemployed - BC	142	-17.3
		May '99
Unemployment Rate - BC *(percent)*	6.8	8.3
Unemployment Rate - Canada *(percent)*	6.6	7.9
INTEREST RATES (percent)	Jun 14/00	Jun 16/99
Prime Business Rate	7.50	6.25
Conventional Mortgages - 1 year	8.10	6.75
- 5 year	8.45	7.65
US/CANADA EXCHANGE RATE	Jun 14/00	Jun 16/99
(avg. noon spot rate) Cdn $	1.4694	1.4587
US $ *(reciprocal of the closing rate)*	0.6813	0.6853
AVERAGE WEEKLY WAGE RATE		
(industrial aggregate - dollars)	May '00	% change on one year ago
BC	635.75	2.7
Canada	611.63	3.0

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bank-banque-canada.ca/english/wfsgen.htm

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Detailed age/gender projections are available in both electronic and printed form. The printed output for each area contains the following 11 pages: map, economic and demographic notes, 4 pages of population pyramids and charts, components of change and other summary statistics, special age groups, and 5-year age groups by gender.

Complete sets of the projections are available at the following prices:

By 28 Regional Districts	by 83 Local Health Areas
$80 (printed copy)	$150 (printed copy)
$400 (diskette)	$400 (diskette)
$200 (disk update)	$200 (disk update)

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- Labour Force Statistics, May 2000
- Exports, March 2000
- Consumer Price Index, May 2000

Next week

- Migration Highlights, First Quarter 2000
- Immigration Highlights, First Quarter 2000

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